

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7414

BILL NUMBER: HB 1320

NOTE PREPARED: Jan 11, 2011

BILL AMENDED:

SUBJECT: Retailer Permittee Employee Serving to Minor.

FIRST AUTHOR: Rep. Yarde

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that if the Alcohol and Tobacco Commission (ATC) initiates a permit violation proceeding against a retailer permittee for furnishing an alcoholic beverage to a minor, the Commission must also initiate a permit violation proceeding against the employee of the retailer who served the minor. It provides that for a violation that occurs after June 30, 2011, if the Commission finds that the employee unlawfully furnished an alcoholic beverage to a minor, the Commission is required to do the following: (1) For a first violation, issue a disciplinary warning and impose a civil penalty of \$100. (2) For a second or subsequent violation, suspend or deny the renewal of an employee permit for two years after the date of the violation and impose a civil penalty of \$200. It provides that if an employee is convicted of a criminal violation for furnishing an alcoholic beverage to a minor, in addition to any other penalty, a civil judgment may be imposed against the agent or employee of: (1) \$100 for the employee's or agent's first violation; or (2) \$200 for the employee's or agent's second or subsequent violation.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *ATC:* This bill could increase administrative expenditures for the ATC. The bill provides that if the ATC initiates a permit violation proceeding against a retailer permittee for furnishing an alcoholic beverage to a minor, the Commission must also initiate a permit violation proceeding against the employee of the retailer who served the minor. The ATC's current level of resources is sufficient to meet this requirement.

Explanation of State Revenues: *Fines:* This bill could increase revenue to the Enforcement and Administrative Fund. The bill provides that if an employee is convicted of a criminal violation for furnishing an alcoholic beverage to a minor, in addition to any other penalty, a civil judgment of \$100 may be imposed against the employee for the employee's first violation; or \$200 for the employee's subsequent violation. The

ATC reports that a person who furnishes alcoholic beverage to a minor is fined under IC 7.1-5-7-8 an average fee of \$50 for a first offense. The ATC reports that approximately 455 fines were issued in CY 2010.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: ATC.

Local Agencies Affected:

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